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National Agricultural Statistics Service

Montana Crop & Livestock Reporter

Cooperating with the Montana Department of Agriculture

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HIGHLIGHTS

- June 1 Crop Production
- World Ag Supply and Demand
- Barley County Estimates
- Ag Prices Received

June 1, 2008 Crop Production Forecast

Based on June 1 conditions, Montana winter wheat producers are expecting a yield of 35 bushels per acre, up 1 bushel from the May 1 forecast, but down 3 bushels from last year's final yield. If realized, the total production would be 91.0 million bushels, 9 percent above last year's 83.2 million bushels. The increase in production is a result of an increase in harvested acreage from 2.19 million acres in 2007 to a projected 2.60 million acres in 2008.

For the week ending June 8, Montana's winter wheat crop condition was rated 2% very poor, 12% poor, 49% fair, 30% good, and 7% excellent, significantly below the 2007 rating of 0% very poor, 2% poor, 20% fair, 44% good, and 34% excellent. Cool temperatures during most of May coupled with the lack of precipitation in the early part of the growing season have hindered winter wheat crop growth and development. Thirty eight percent of the crop is in the boot stage compared to 79 percent last year and the five-year average of 74 percent.

Winter wheat production in the United States is forecast at 1.82 billion bushels, up 2 percent from the May 1 forecast and up 20 percent from 2007. Based on June 1 conditions, the U.S. yield is forecast at 45.3 bushels per acre, up 1.0 bushel from the previous forecast and up 3.1 bushels from last year. Grain area totals 40.2 million acres, unchanged from last month. As of June 1, heading had reached 75 percent in the 18 major States, 9 percentage points behind the 5-year average. Progress was behind normal due primarily to below normal temperatures throughout the growing season. Harvest was underway in the southern-most portions of the growing area.

Forecasted head counts from the objective yield survey in the 6 Hard Red Winter States (Colorado, Kansas, Montana, Nebraska, Oklahoma, and Texas) are below last year's level in Colorado, Montana, Oklahoma, and Texas but above in Kansas and Nebraska. Condition ratings declined during May in Colorado and Nebraska while the other States showed improved conditions. Harvest was just getting started in Oklahoma and Texas.

In the Pacific Northwest States (Idaho, Oregon, and Washington), yields are unchanged from last month in Washington and Oregon but up 1 bushel in Idaho. Forecasted head counts from the objective yield survey in Washington are above last year. Condition ratings declined in Washington but improved in Oregon and Idaho during May. Crop progress was behind normal for all three States at the end of May.

World Ag Supply and Demand Estimates

U.S. 2008/09 wheat supplies are projected higher this month based on higher production and increased carryin. Winter wheat production is forecast 40 million bushels higher with higher yields expected in most states. Beginning stocks are projected 15 million bushels higher as 2007/08 exports are lowered the same amount on slower-than-expected shipments in recent weeks. Feed and residual use for 2008/09 is raised 25 million bushels with increased supplies, particularly for soft red winter wheat, and higher expected corn prices. Exports are raised 25 million bushels on strong new-crop sales. Ending stocks are projected at 487 million bushels, up 5 million from last month. The 2008/09 marketing-year average farm price is projected at $6.75 to $8.25 per bushel, up 15 cents on both ends of the range. Wheat prices are expected to remain supported by early season demand and higher corn prices.

Global wheat production for 2008/09 is raised 6.9 million tons this month with higher output expected from FSU-12, China, and the United States. Nearly ideal weather continues to support crop prospects for Russia and Ukraine with production raised 2.0 million and 1.0 million tons, respectively. Production for China is raised 5.0 million tons for 2008/09 on good growing conditions for this year's crop and in line with recently released estimates for 2007/08 and 2006/07 from China's National Bureau of Statistics. Production for 2007/08 is raised 3.9 million tons, and 2006/07 production is revised 4.0 million tons higher on reported yields. Partly offsetting the 2008/09 increases are reductions for Afghanistan, Argentina, and Syria due to dry conditions. Production is also lowered 0.5 million tons for Canada as cool, dry early season conditions have slowed crop emergence and establishment.

Global wheat imports, exports, and consumption for 2008/09 are all raised this month with increased supplies. World exports are raised 1.0 million tons with increases for Ukraine and the United States more than offsetting reductions for Canada and Syria. World consumption is raised 3.9 million tons mostly reflecting higher feeding and food use in China and higher feeding in the United States. World ending stocks are projected 8.1 million tons higher this month at 132.1 million, up 16.9 million from 2007/08 and the highest since 2005/06. Ending stocks for 2007/08 and 2006/07 are raised 5.1 million tons and 2.6 million tons, respectively, mostly on increases for China following the large revisions made to production.

U.S. 2008/09 feed grains supplies are projected lower and prices higher with reduced prospects for corn production this month. The 2008 corn crop is projected at 11.7 billion bushels, down 390 million from last month based on lower expected yields. The national average yield is projected at 148.9 bushels per acre, 5 bushels below last month, and 6 bushels below the 1990-2007 trend. This month's reduction reflects slow planting progress, slow crop emergence, and persistent, heavy rainfall across the Corn Belt. The latest rounds of torrential rainfall are expected to reduce plant populations and nitrogen availability, particularly for corn planted after mid-May.

Corn supplies for 2008/09 are projected 340 million bushels lower this month. Partly offsetting lower production is a 50-million-bushel increase in beginning stocks resulting from lower projected 2007/08 exports. Feed and residual use for 2008/09 is projected 150 million bushels lower on reduced feeding demand with higher prices, increased wheat and sorghum feeding, and lower expected residual losses with the smaller crop. Exports are lowered 100 million bushels reflecting tighter U.S. supplies and increased export competition with higher foreign production. Ending stocks for 2008/09 are projected at 673 million bushels, down 90 million from last month, and 760 million below the 2007/08 forecast. If realized, 2008/09 ending stocks would be the lowest since 1995/96.

The 2008/09 marketing-year average farm price for corn is projected 30 cents higher on both ends of the range at $5.30 to $6.30 per bushel. Price forecasts for sorghum, barley, and oats are all raised for 2008/09. Price forecasts for 2007/08 corn and sorghum are also raised reflecting higher expected summer prices. (continued on page three)

Barley Acreage, Yield, and Production by Counties and Districts, 2007

County and District	ALL Planted Acres	ALL Harvested Acres	ALL Yield Bushels	ALL Production Bushels	ALL Production Rank	IRRIGATED Planted Acres	IRRIGATED Harvested Acres	IRRIGATED Yield Bushels	IRRIGATED Production Bushels
Deer Lodge	800	--	--	--	--	800	--	--	--
Flathead	10,300	9,900	59	588,000	18	3,400	3,300	73	240,000
Granite	--	--	--	--	--	--	--	--	--
Lake	3,300	2,000	65	130,000	36	2,600	1,400	77	108,000
Lincoln	--	--	--	--	--	--	--	--	--
Mineral	--	--	--	--	--	--	--	--	--
Missoula	--	--	--	--	--	--	--	--	--
Powell	2,500	900	78	70,000	41	--	--	--	--
Ravalli	2,100	1,300	73	95,000	37	--	--	--	--
Sanders	--	--	--	--	--	--	--	--	--
Other	2,000	400	63	25,000	--	5,400	2,200	78	172,000
NORTHWEST	**21,000**	**14,500**	**63**	**908,000**	**--**	**12,200**	**6,900**	**75**	**520,000**
Blaine	23,500	16,500	38	623,000	15	5,100	2,000	55	110,000
Chouteau	44,500	42,000	34	1,447,000	7	1,500	1,100	59	65,000
Glacier	103,000	97,000	26	2,564,000	3	9,100	8,500	46	392,000
Hill	28,000	23,000	34	789,000	12	--	--	--	--
Liberty	23,000	22,000	23	514,000	21	1,500	1,400	57	80,000
Phillips	30,500	17,000	36	606,000	16	--	--	--	--
Pondera	86,000	76,000	42	3,221,000	2	36,000	31,000	66	2,045,000
Teton	73,000	71,500	69	4,949,000	1	47,000	46,000	94	4,325,000
Toole	49,500	48,000	30	1,446,000	8	--	--	--	--
Other	--	--	--	--	--	3,800	2,000	77	153,000
NORTH CENTRAL	**461,000**	**413,000**	**39**	**16,159,000**	**--**	**104,000**	**92,000**	**78**	**7,170,000**
Daniels	5,800	1,900	35	66,000	42	--	--	--	--
Dawson	23,300	15,000	45	676,000	14	1,800	1,600	87	139,000
Garfield	17,200	5,900	38	225,000	27	--	--	--	--
McCone	24,700	16,000	35	565,000	19	--	--	--	--
Richland	29,000	25,000	62	1,540,000	4	11,500	10,500	92	969,000
Roosevelt	9,900	5,200	47	242,000	26	1,800	1,200	74	89,000
Sheridan	9,500	7,200	42	304,000	22	--	--	--	--
Valley	14,600	9,300	23	216,000	28	4,100	2,000	27	53,000
Other	--	--	--	--	--	4,100	2,200	63	139,000
NORTHEAST	**134,000**	**85,500**	**45**	**3,834,000**	**--**	**23,300**	**17,500**	**79**	**1,389,000**
Broadwater	5,300	4,200	66	278,000	25	--	--	--	--
Cascade	35,100	29,000	51	1,479,000	5	9,900	8,000	83	662,000
Fergus	40,000	31,500	33	1,049,000	11	--	--	--	--
Golden Valley	5,000	3,500	26	92,000	39	--	--	--	--
Judith Basin	22,000	15,400	34	531,000	20	--	--	--	--
Lewis & Clark	9,200	8,100	73	591,000	17	--	--	--	--
Meagher	7,000	5,900	27	160,000	30	2,200	1,300	60	78,000
Musselshell	3,500	1,400	30	42,000	46	--	--	--	--
Petroleum	2,400	300	40	12,000	49	500	--	--	--
Wheatland	9,500	8,700	33	287,000	24	1,100	700	50	35,000
Other	--	--	--	--	--	15,800	11,000	78	855,000
CENTRAL	**139,000**	**108,000**	**42**	**4,521,000**	**--**	**29,500**	**21,000**	**78**	**1,630,000**
Beaverhead	5,400	1,600	93	148,000	34	5,400	1,600	93	148,000
Gallatin	26,200	25,400	58	1,477,000	6	8,800	8,500	75	640,000
Jefferson	--	--	--	--	--	--	--	--	--
Madison	4,000	2,200	70	155,000	32	3,400	1,600	86	138,000
Silver Bow	--	--	--	--	--	--	--	--	--
Other	900	300	73	22,000	--	900	300	73	22,000
SOUTHWEST	**36,500**	**29,500**	**61**	**1,802,000**	**--**	**18,500**	**12,000**	**79**	**948,000**
Big Horn	21,000	17,400	67	1,167,000	10	9,500	8,700	100	872,000
Carbon	8,400	7,000	98	688,000	13	--	--	--	--
Park	4,400	3,000	51	152,000	33	3,200	2,100	63	133,000
Stillwater	9,400	5,800	32	188,000	29	1,000	800	94	75,000
Sweetgrass	1,400	500	46	23,000	47	--	--	--	--
Treasure	3,700	3,400	89	301,000	23	--	--	--	--
Yellowstone	18,700	16,400	80	1,308,000	9	12,400	11,600	102	1,188,000
Other	--	--	--	--	--	10,900	9,300	105	972,000
SOUTH CENTRAL	**67,000**	**53,500**	**72**	**3,827,000**	**--**	**37,000**	**32,500**	**100**	**3,240,000**
Carter	8,400	1,400	39	54,000	44	--	--	--	--
Custer	5,400	2,200	63	138,000	35	1,400	1,100	85	94,000
Fallon	7,800	3,700	22	80,000	40	--	--	--	--
Powder River	5,200	1,600	35	56,000	43	--	--	--	--
Prairie	4,500	2,900	33	95,000	37	--	--	--	--
Rosebud	5,700	2,500	62	156,000	31	--	--	--	--
Wibaux	4,500	1,700	29	50,000	45	--	--	--	--
Other	--	--	--	--	--	4,100	2,000	80	159,000
SOUTHEAST	**41,500**	**16,000**	**39**	**629,000**	**--**	**5,500**	**3,100**	**82**	**253,000**
MONTANA	**900,000**	**720,000**	**44**	**31,680,000**	**--**	**230,000**	**185,000**	**82**	**15,150,000**

-- Counties with no acres planted or counties that are combined into “other” counties to avoid disclosure of individual information.

April Ag Prices Received

Montana's April 2008 full month crop prices were higher when compared with March 2008. Winter wheat was $8.49 per bushel, up $0.23 from March, spring wheat was $9.69 per bushel, up $0.85, durum wheat was $15.80 per bushel, up $1.40, setting a new record high, feed barley was $4.55 per bushel, up $0.06, and malt barley was $4.72 per bushel, up $0.57.

The mid May price for alfalfa hay rose $10.00 to $99.00 per ton and all other hay increased $18.00 to $102.00 per ton. Mid May grain prices were mixed when compared with April. The winter wheat price was $8.30 per bushel, spring wheat was $10.50 per bushel, durum wheat was $12.40 per bushel, malt barley was $6.00 per bushel, and feed barley was $3.80 per bushel.

Livestock prices for the full month of April were mixed when compared with the previous month. Steer and heifer prices were $99.50 per cwt, up $2.70, cows were $50.90 per cwt, down $0.30, calves dropped $7.00 to $113.00 per cwt, sheep were $24.50 per cwt, up $5.00, lambs were $101.00 per cwt, up $1.80 and milk was $18.20 per cwt, down $1.20. Mid month May steer and heifers were $100.00 per cwt, cows were $54.80 per cwt, calves were $114.00 per cwt, and milk was $18.70 per cwt.

Nationally, prices for May and changes from April were as follows: winter wheat was $9.61 per bushel, down $0.39; spring wheat was $10.50 per bushel, down $0.50; durum wheat was $13.80 per bushel, down $1.60; the all barley price was $4.54 per bushel, up $0.37; steer and heifer prices were $91.60 per cwt, down $1.10; and calf prices were down $3.00 to $116.00 per cwt.

The U.S. mid May winter wheat price was $7.76 per bushel, spring wheat was $10.20 per bushel, durum wheat was $12.10 per bushel, all wheat was $8.80 per bushel, malt barley was $5.06 per bushel, feed barley was $3.98 per bushel, and all barley was $4.76 per bushel. Steer and heifer prices were $95.40 per cwt, cows were $53.10 per cwt, calves were $116.00 per cwt, all hogs were $44.10 per cwt, and all eggs were $0.88 per dozen.

The preliminary All Farm Products Index of Prices Received by Farmers in May, at 150 percent, based on 1990-92=100, increased 5 points (3.4 percent) from April. The Crop Index is up 4 points (2.4 percent) and the Livestock Index increased 5 points (3.9 percent).

World Ag Supply and Demand Estimates (continued from page one)

Global 2008/09 coarse grain production is lowered 3.1 million tons this month. The 9.9-million-ton cut in U.S. corn production is only partly offset by increased corn production in China and the Philippines, and increased corn and barley production in Russia and Ukraine. Foreign corn production is projected 7.6 million tons higher this month and 19.5 million tons above the current 2007/08 forecast. China corn production for 2008/09 is raised to 153.0 million tons, up 3.0 million from last month, reflecting a higher yield consistent with recently released 2007/08 estimates and 2006/07 revisions by China's National Bureau of Statistics. Production for China is raised 6.8 million tons for 2007/08 on a higher reported yield and raised 6.1 million tons for 2006/07 on an upward revision to area. Corn production for Russia and Ukraine are raised 1.5 million tons and 2.0 million tons, respectively, on higher indicated area. Barley production is raised 0.5 million tons each for Russia and Ukraine on higher expected yields with continued good moisture for crop development during May. Brazil corn production for 2007/08 is raised 2 million tons reflecting above average rainfall and higher expected yields for second-crop corn. (continued on back page)

United States Index Summary

INDEX (1990-92=100)	April 2007	May 2007	April 2008	May 2008
Prices Received	133	136	145	150
Prices Paid, Interest, Taxes, & Farm Wage Rates 1/	160	161	181	184
Ratio 2/	83	84	80	83

1/ Prices paid indexes (1990-92=100) published monthly. 2/ Ratio of index of prices received by farmers to index of prices paid.

Montana Average Farm Prices Received

Commodity	UNIT	Monthly Average				Change from Previous		Mid-Month Avg	
		Montana			U.S.	Month	Year	Montana	U.S.
		Apr 2007	**Mar 2008**	**Apr 2008**	**Apr 2008**	**Mar 2008**	**Apr 2007**	**15-May-08**	**15-May-08**
		Dollars							
Winter Wheat	Bu	4.79	8.26	8.49	9.61	0.23	3.70	8.30	7.76
Durum Wheat	Bu	5.57	14.40	15.80	13.80	1.40	10.23	12.40	12.10
Spring Wheat	Bu	4.82	8.84	9.69	10.50	0.85	4.87	10.50	10.20
All Wheat	Bu	4.87	8.73	9.26	10.00	0.53	4.39	9.55	8.80
All Barley	Bu	3.28	4.23	4.65	4.54	0.42	1.37	5.14	4.76
Feed Barley	Bu	2.91	4.49	4.55	4.65	0.06	1.64	3.80	3.98
Malt Barley	Bu	3.35	4.15	4.72	4.48	0.57	1.37	6.00	5.06
Oats	Bu	2.32	na	3.74	3.48	na	na	na	3.46
Alfalfa Hay	Ton	93.00	89.00	89.00	157.00	0.00	-4.00	99.00	177.00
All Other Hay	Ton	95.00	79.00	84.00	140.00	5.00	-11.00	102.00	134.00
All Hay Baled	Ton	93.00	88.00	88.00	152.00	0.00	-5.00	99.00	166.00
Steers & Heifers	Cwt	102.00	96.80	99.50	91.60	2.70	-2.50	100.00	95.40
Cows	Cwt	49.90	51.20	50.90	50.50	-0.30	1.00	54.80	53.10
Beef Cattle 1/	Cwt	87.40	91.30	88.30	86.60	-3.00	0.90	86.00	90.50
Calves	Cwt	121.00	120.00	113.00	116.00	-7.00	-8.00	114.00	116.00
Sheep	Cwt	28.20	19.50	24.50	28.80	5.00	-3.70	na	na
Lambs	Cwt	96.00	99.20	101.00	99.40	1.80	5.00	na	na
All Milk	Cwt	15.50	19.40	18.20	18.00	-1.20	2.70	18.70	18.20

1/ Composite of steers, heifers, and cows. na-not available.

World Ag Supply and Demand Estimates (continued from page three)

World coarse grain consumption for 2008/09 is increased 4.3 million tons this month with increased foreign consumption more than offsetting reduced U.S. corn use. China accounts for most of the increase with corn consumption raised 7.0 million tons mostly on higher expected feeding as hog production recovers from disease problems. Corn exports for 2008/09 are raised 1.0 million tons each for Brazil and Ukraine, offsetting most of the U.S. reduction. Global coarse grain ending stocks are projected higher for 2008/09 with corn stocks up 4.3 million tons, mostly reflecting higher production for China. Global corn ending stocks for 2007/08 and 2006/07 are also raised, again mostly on changes for China.

This month's U.S. oilseed supply and use projections for 2008/09 include reductions in beginning and ending stocks. Lower beginning stocks reflect a higher export projection for 2007/08. Soybean production and trade are unchanged, but crush is reduced 10 million bushels mainly reflecting reduced prospects for domestic soybean meal use. Soybean ending stocks for 2008/09 are projected at 175 million bushels, down 10 million from last month. Other changes include reduced soybean oil used for biodiesel production for both 2007/08 and 2008/09 as high soybean oil prices relative to other fats and oils have reduced the soybean oil share of total biodiesel production more quickly than expected.

Soybean, meal, and oil prices for 2008/09 are all raised this month. The U.S. season-average soybean price is projected at $11.00 to $12.50 per bushel, up 50 cents on both ends of the range. Soybean meal prices are projected at $295 to $355 per short ton, up 15 dollars on both ends of the range. Soybean oil prices are projected at 52 to 56 cents per pound, up 2 cents on both ends of the range.

Global oilseed production for 2008/09 is projected at 419.3 million tons, up 31.6 million tons from 2007/08. Foreign oilseed production is projected at 326.3 million tons, up 18.6 million tons from 2007/08. Global soybean production is projected to increase 10 percent to 240.7 million tons. Most of the increase is due to higher production in the United States as producers increased planted area sharply from 2007/08. Higher soybean production is projected for both Brazil and Argentina as producers respond to high soybean prices. The Brazil crop is projected at 64 million tons, up 3 million from 2007/08. Despite continuing financial problems and a strong currency, producers in Brazil are projected to increase plantings by around 5 percent, more than offsetting a small reduction in yields. The Argentina crop is projected at 48 million tons, up 1 million from 2007/08 based on a small increase in area and yield. Soybean production for China is projected at 16 million tons, up 2.5 million from 2007/08. Global production of high-oil content seed is up 11 percent from 2007/08 reflecting sharp increases in rapeseed and sunflowerseed production. Rapeseed production is projected higher in EU-27, China, Canada, India, Ukraine, and Australia. Higher global sunflowerseed production is projected for Argentina, Russia, Ukraine, and EU-27. Despite higher global oilseed production, 2008/09 oilseed supplies are up just 3 percent as beginning stocks are sharply lower compared with a year ago.

Global protein meal consumption is projected to increase 2.4 percent in 2008/09. Protein meal consumption is projected to increase 5 percent in China, which accounts for 40 percent of global protein consumption gains. EU-27 protein meal consumption is projected to decline as wheat production and feeding recovers from 2007/08. World soybean trade is projected to reach a record 76.3 million tons, up 2.5 million tons from 2007/08. China is projected to account for 60 percent of the increase, reaching a record 35.5 million tons of imports.

Global vegetable oil consumption is projected to increase 4.3 percent in 2008/09 led by increases for China, India, and EU-27. Industrial use is projected to grow at a reduced rate compared with recent years as high prices of vegetable oils will limit expansion. Global vegetable oil stocks are projected to decline 2 percent from 2007/08.

Wheat: Supply, Disappearance, and Price, United States, 1995-2008

Year Beginning June 1	SUPPLY				DISAPPEARANCE						Ending Stocks May 31	Season Avg. Price
	Beginning Stocks	Production	Imports 1/	Total	Domestic Use				Exports 1/	Total Disappearance		
					Food	Seed	Feed 2/	Total				
	-- Million Bushels --											$
1995	507	2,183	68	2,757	883	104	153	1,140	1,241	2,381	376	4.55
1996	376	2,277	92	2,746	891	102	308	1,301	1,001	2,302	444	4.30
1997	444	2,481	95	3,020	914	92	251	1,257	1,040	2,298	722	3.38
1998	722	2,547	103	3,373	908	81	397	1,385	1,042	2,427	946	2.65
1999	946	2,299	95	3,339	929	92	279	1,300	1,090	2,390	950	2.48
2000	950	2,232	90	3,272	950	80	304	1,334	1,062	2,396	876	2.62
2001	876	1,957	108	2,941	926	84	190	1,200	964	2,164	777	2.78
2002	777	1,606	81	2,464	919	84	119	1,122	850	1,972	491	3.56
2003	491	2,345	63	2,899	912	80	203	1,194	1,158	2,353	546	3.40
2004	546	2,158	71	2,775	910	78	182	1,169	1,066	2,235	540	3.40
2005	540	2,105	81	2,726	915	78	160	1,152	1,003	2,155	571	3.42
2006	571	1,812	122	2,505	938	81	121	1,140	909	2,049	456	4.26
2007 3/	456	2,067	95	2,618	950	88	60	1,098	1,265	2,363	254	6.50
2008 3/	254	2,432	100	2,786	960	84	255	1,299	1,000	2,299	487	6.75-8.25

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for distilled spirits. 3/ Preliminary.
SOURCE: World Agricultural Supply and Demand Estimates, June 10, 2008--ERS. Totals may not add due to independent rounding.

COMING IN THE NEXT REPORTER

- Potato Stocks
- Milk Production
- Sweet Cherry Production
- Cattle on Feed
- Red Meat Production
- Egg Production
- Hogs and Pigs
- Grain Stocks
- Crops Acreage

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